

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines  
ISSUED BY THE STATE BOARD OF ACCOUNTS**

Volume 126, Page 1

June 1994

**ITEMS TO REMEMBER**

- June 1: Prove the Fund Ledger and Ledger of Receipts for the month of May to the control of all funds and reconcile the control with the depository statement. Prove all receipt accounts for each fund to total receipts for that fund. Prove the Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances to the total disbursements of the control account of the Fund Ledger. Prove all expenditure accounts within each program to the total disbursements of that program.
- Last day to file with the county treasurer a list of names and addresses of each person who has money due from the school corporation. (IC 6-1.1-22-14)
- Prior to September 1 of each year, the superintendent of each school corporation shall cause to be made by the Office of the State Fire Marshall an inspection of all heating systems and supporting fuel lines used for school purposes. (IC 20-5-43-1)
- June 20: Payment for school aid bonds and coupons coming due in July must be made to civil townships by reorganized school corporations where the reorganized plan provides for such payments or where the board of school trustees by resolution adopted has provided for such payments. (IC 20-4-1-35; IC 20-4-1-38)
- Last day to report and make payment of state and county income tax withheld during May to the State Department of Revenue, Indiana Government Center North, Indianapolis. Please review Volume 100, December 1987, of "The School Administrator."
- June 30: Close out all payroll deduction clearing accounts. Balance and close the Fund Ledger and Ledger of Receipts for the school year and reconcile with depositories. Total the Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances (January 1 to June 30). Close this ledger for the school year and prove to the Fund Ledger.
- July 1: Open a Fund Ledger and Ledger of Receipts for the next school year by entering the balance of each fund as determined and proved for June 30. Open a Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances for the next school year by entering in each program account the balance of unexpended appropriations, and by entering in each expenditure account within each program, the balance of the unexpended allotment.

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- July 4: Independence Day - Legal Holiday (IC 1-1-9-1)
- July 15: State Teachers' Retirement Fund Form EOR-4 (Employing Officials' Report of Teacher Contribution Deductions for the fourth quarter of the 1991-1992 school year) is due in the office of the State Teachers' Retirement Fund Board. (IC 21-6.1-7-9) provides "If the treasurer of a school corporation or the township trustee fails to make the reports as required in section 7 or 8 of this chapter, the school corporation which that officer serves is ineligible to receive any distribution of money from the state for school purposes until the reports and payments are received and approved by the board."
- July 20: Last day to report and make payment of state and county income tax withheld during June to the State Department of Revenue, Indiana Government Center North, Indianapolis. Please review Volume 100, December 1987, of "The School Administrator."
- July 31: Last day to file Federal Quarterly Report, Form 941, with the Internal Revenue Service for federal and social security taxes for the second quarter of 1993.
- Last day to submit a Teachers' Retirement Fund Board Form P-31, Employing Officials' Report of Teachers in the State of Indiana. (IC 21-6.1-7-8) (See July 15 above re: IC 21-6.1-7-9)
- Aug. 1: Prove all ledgers for the month ending July 31 as outlined for the month of June.
- Aug. 8: Last day for the first publication of budgets for all school corporations other than school townships. (10 days prior to the public hearing) (IC 6-1.1-17-3)
- Aug. 15: Not earlier than August 1 or later than August 15 the secretary of the board of school trustees is to publish an annual financial report (which consists of financial and performance information) by one insertion in each of two newspapers in the school corporation. (IC 5-3-1-3)
- Aug. 15: Last day for second publication of school corporation budgets. (7 days after the first publication) (IC 5-3-1-2)
- Aug. 18: Last day for completing public hearing on 1995 budget prior to meeting for adoption. (At least 7 days prior to the adoption of the budget) (IC 6-1.1-17-5)

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- Aug. 19: Last day to report and make payment of state and county income tax withheld during July to the State Department of Revenue, Indiana Government Center North, Indianapolis. Please review Volume 100, December 1987, of "The School Administrator."
- Aug. 25: Last day for meetings of school boards (school corporations other than school townships) to adopt budgets for the next calendar year and to fix tax levies. (Not Later Than the Last Thursday in August) (IC 6-1.1-17-5)

**REIMBURSEMENTS BY HOLDING CORPORATIONS**

Various occasions arise at the beginning of a construction project in which a school house holding corporation will owe the school corporation certain amounts of money. These may be the result of the sale of land to the holding corporation or for certain preliminary expenses of the project which had to be paid prior to the holding corporation receiving its money from the sale of bonds. When these situations occur, the holding corporation must reimburse the school corporation as soon as the proceeds from the bond sale have been received. It has been found that some holding corporations delay payment for the sale of land or for reimbursements until late in the project. These reimbursements should be one of the first items of business after the holding corporation receives some money from the sale of bonds.

**RETIREMENT FUND CONTRIBUTIONS**

IC 21-6.1-4-9 concerning member contributions for the Teachers Retirement Fund provides "(a) Each member shall contribute to the fund three percent (3%) of his compensation as specified in IC 5-10.2-3.

However, the member's employer may pay the contribution on behalf of the member.

(b) If a member's employer elects to pay the contribution for its employees, it must initiate the payments as part of salary and fringe benefit adjustments provided to these employees."

550 IAC 2-5-12 concerning payment of contributions provides "Contributions shall be paid either wholly by the member or wholly by the employer."

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**CASH CHANGE FUND**

A Cash Change Fund may be established in any school corporation with the approval of the governing body (board of school trustees), where any officer or employee of the corporation is charged with the duty of collecting fees or other cash revenues. When authorized by the governing body such Cash Change Fund shall be established by a check drawn on the General Fund of the school corporation in an amount to be determined by the governing body. The check is drawn in favor of the officer or employee who has been designated as custodian of the Cash Change Fund. The custodian shall convert same to cash and be held responsible for the safekeeping of such cash and the proper accounting thereof in the same manner as required for other funds of the school corporation. The governing board shall have authority to increase or decrease such fund and shall require the entire Cash Change Fund to be returned to the General Fund if and when it is no longer needed for the purpose established or when a change is made in the custodian of the fund (IC 36-1-8-2).

IC 36-1-8-2 is particularly applicable in school corporations where either a Textbook Rental Fund or School Lunch Fund, or both, are maintained as school corporation funds. If a Cash Change fund is authorized and a check is drawn on the General Fund, it will be recorded as a disbursement in the General Fund. When the check is posted to the General Fund, a Cash Change Fund must be opened in the Asset Accounts section of the Clearing Accounts in your ledger to establish a control for the amount of the cash until returned to the General Fund.

**PUBLIC PURCHASES**

IC 4-13-1-1 provides that, with the consent of the commissioner of the State Department of Administration, a political subdivision of the state as defined in IC 36-1-2-13 may use the services of that department. IC 4-13.4-5-11 authorizes the Procurement Division of the State Department of Administration to enter into contracts that require the contractor to offer the services or supplies that are the subject of the contract to political subdivisions under conditions specified in the contract. IC 36-1-9-13 provides "Notwithstanding any other provision of this chapter, a purchasing agent may purchase materials for a political subdivision without giving notice or receiving bids if:

(1) the purchase is made from a supplier who has a contract with a state agency and the supplier's contract with the state requires him to make the materials available to political subdivisions, as provided in IC 4-13.4-5-11; or

(2) the purchase is made from a supplier who has a contract with a federal agency and the supplier's contract with that agency requires the supplier to make the materials available to the state or political subdivisions."

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**PRIMETIME TRANSFER TUITION**

IC 20-8.1-6.1-8, relating to transfer tuition, provides that if the school corporation can meet the requirements of IC 21-1-30-5, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may be for one (1) year or longer and may fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in IC 20-8.1-6.1-9 for other transfers. A school corporation may not transfer a student under this section without the prior approval of the child's parent or guardian.